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<p>Tiivistelmä-Referat-Abstract</p> <p>The research topic of this paper is Population Growth, Human Capital and Economic Growth in China. The aim of this paper is to study how human capital affects economic growth, how population growth affects accumulation of human capital and how the growth of income per capita influences fertility rate, especially in China. In the first part of this research, the microeconomic model—Becker Model—is used to discuss the demand of children in a family. This model describes how the parents decide the quality and quantity of their children, and how the costs of children influence this decision. The Chinese case fits close this model quite well. In urban areas, since the costs of children are high, the parents prefer to have fewer children but invest more on their children's education. On the other hand, the costs of children in rural areas are low; moreover, children can be treated as labor force, hence the parents in rural areas prefer to have more children but do not care very much about their children's education.</p> <p>In the second part of this paper, the Romer's macroeconomic model: endogenous growth model is used to analyze how the human capital affects the economic growth. This model uses three sectors to explain the positive relationship between the human capital, which is determined by the education, and the economic growth.</p> <p>The third part uses econometrics method to prove the above models by using the data of 28 regions in China during 1987- 2001. The conclusion is that the scale of labor market is not the main reason for the economic growth in China. Actually, the human capital growth in large or middle cities is the blue chip to attract the foreign investment and technology to China, and then finally pushes the economic growth.</p>			
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